

## Message Text

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PAGE 01 STATE 027431  
ORIGIN PM-05

INFO OCT-01 ISO-00 AF-10 ARA-14 EA-12 EUR-12 NEA-10  
SIG-02 MMO-04 CIAE-00 H-02 INR-07 IO-14 L-03  
NSAE-00 OMB-01 PA-02 PRS-01 SP-02 SS-15 USIA-15  
TRSE-00 DODE-00 NSC-05 ACDA-12 IGA-02 MCE-00 /151 R

DRAFTED BY PM:PRHAYES:GP  
APPROVED BY PM:LESLIE H. GELB  
-----130356 020542Z /14

P 020057Z PEB 78  
FM SECSTATE WASHDC  
TO ALL DIPLOMATIC POSTS PRIORITY

UNCLAS STATE 027431

GENEVA FOR AMBASSADOR WARNKE

E.O. 11652: N/A

TAGS:

SUBJECT: STATEMENT BY THE PRESIDENT

THE FOLLOWING PRESS RELEASE DELIVERED BY THE PRESIDENT  
ON FEBRUARY 1ST IS PROVIDED FOR YOUR INFORMATION. POSTS  
MAY DRAW ON IT AS NECESSARY.

1. THE UNITED STATES GOVERNMENT, THE EXECUTIVE BRANCH AND  
THE CONGRESS, ARE PLEDGED TO BRING ABOUT A REDUCTION IN THE  
TRADE IN CONVENTIONAL ARMS. LAST YEAR, I PROMISED TO BEGIN  
REDUCING U.S. ARMS SALES AS A NECESSARY FIRST STEP. I WILL  
CONTINUE THAT POLICY THIS YEAR.

2. IN THE LAST FISCAL YEAR, THE PREVIOUS ADMINISTRATION AND  
MY ADMINISTRATION MADE SALES COMMITMENTS TOTALING MANY  
BILLIONS OF DOLLARS. WHILE HIGH, HOWEVER, THE TOTAL WAS  
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CONSIDERABLY LESS THAN IT WOULD HAVE BEEN IN THE ABSENCE OF  
NEW RESTRAINTS WE INTRODUCED, PARTICULARLY IN SALES COMMIT-  
MENTS TO THE DEVELOPING COUNTRIES OF THE WORLD. BETWEEN  
JANUARY 20 AND THE CLOSE OF THE FISCAL YEAR, I APPROVED AND  
SENT TO CONGRESS ARMS SALES TOTALING DOLS 5.7 BILLION, WHICH  
IS LESS THAN HALF THE TOTAL APPROVED DURING THE SAME PERIOD

IN 1976.

3. TODAY, I AM ANNOUNCING THAT ARMS TRANSFER AGREEMENTS COVERED BY THE CEILING WHICH I HAVE ESTABLISHED WILL BE REDUCED BY DOLS 740 MILLION IN FISCAL YEAR 1978. THIS MEANS THAT FOR THE FISCAL YEAR WHICH BEGAN ON OCTOBER 1, 1977, AND WHICH WILL END ON SEPTEMBER 30, 1978, NEW COMMITMENTS UNDER THE FOREIGN MILITARY SALES AND MILITARY ASSISTANT PROGRAMS FOR WEAPONS AND WEAPONS-RELATED ITEMS TO ALL COUNTRIES EXCEPT NATO, JAPAN, AUSTRALIA AND NEW ZEALAND WILL NOT EXCEED DOLS 8.6 BILLION. THE COMPARABLE FIGURE FOR FISCAL YEAR 1977 WAS DOLS 9.3 BILLION. THIS IS A REDUCTION OF 8 PERCENT, FIGURED ON CONSTANT FISCAL YEAR 1976 DOLLARS.

4. A LARGER CUT IN THE CEILING WOULD VIOLATE COMMITMENTS ALREADY MADE, INCLUDING OUR HISTORIC INTEREST IN THE SECURITY OF THE MIDDLE EAST, AND WOULD IGNORE THE CONTINUING REALITIES OF WORLD POLITICS AND RISK THE CONFIDENCE AND SECURITY OF THOSE NATIONS WITH WHOM THE UNITED STATES HAS VITAL AND SHARED FOREIGN POLICY AND SECURITY INTERESTS. A SMALLER REDUCTION WOULD NEGLECT OUR RESPONSIBILITY TO SET AN EXAMPLE OF RESTRAINT THAT OTHERS MIGHT FOLLOW. I INTEND TO MAKE FURTHER REDUCTIONS IN THE NEXT FISCAL YEAR. THE EXTENT OF NEXT YEAR'S REDUCTION WILL DEPEND UPON THE WORLD POLITICAL SITUATION AND UPON THE DEGREE OF COOPERATION AND UNDERSTANDING OF OTHER NATIONS.

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5. I WANT TO EMPHASIZE THAT THE RESTRAINT POLICY I ANNOUNCED ON MAY 19, 1977, WAS NOT AIMED EXCLUSIVELY AT THE VOLUME OF ARMS TRANSFERS. EQUALLY IMPORTANT IS RESTRAINT IN THE SOPHISTICATION OF ARMS BEING TRANSFERRED AND ON THE SPREADING CAPABILITY TO PRODUCE ARMAMENTS. THEREFORE, IN ADDITION TO THE CEILING, I ESTABLISHED FIVE SPECIFIC CONTROLS APPLICABLE TO ALL TRANSFERS EXCEPT THOSE TO OUR NATO ALLIES, JAPAN, AUSTRALIA, AND NEW ZEALAND. THESE CONTROLS INCLUDED: (1) A CONTROL ON THE FIRST INTRODUCTION OF CERTAIN ADVANCED SYSTEMS INTO AN AREA; (2) A PROHIBITION ON ADVANCED SYSTEMS FOR EXPORT ONLY; (3) A PROHIBITION ON VARIOUS TYPES OF COPRODUCTION ARRANGEMENTS; (4) TIGHTER CONTROLS ON RETRANSFER; AND (5) SPECIAL CONTROLS ON SALES PROMOTIONS.

6. THESE GUIDELINES ARE AT THE HEART OF MY DECISIONS TO APPROVE OR DISAPPROVE AN ARMS TRANSFER.

7. AS I STATED IN MY OCTOBER 4TH SPEECH TO THE UNITED NATIONS, GENUINE PROGRESS IN THIS AREA WILL REQUIRE MULTI-

LATERAL EFFORTS. BUT, WE ARE COMMITTED TO TAKING THE FIRST  
STEPS ALONE TO STOP THE SPIRAL OF INCREASING ARMS TRANS-  
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US IN A DETERMINED EFFORT TO MAKE THE WORLD A SAFER PLACE  
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\*\*\* Current Handling Restrictions \*\*\* n/a  
\*\*\* Current Classification \*\*\* UNCLASSIFIED  
@@@OASYS@@@<CONCATENATED>

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY SALES, POLICIES, PRESS RELEASES  
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**Copy:** <CONCATENATED>  
**Draft Date:** 02 feb 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
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**Secure:** OPEN  
**Status:** <DBA CORRECTED> gwr 970826  
**Subject:** STATEMENT BY THE PRESIDENT THE FOLLOWING PRESS RELEASE DELIVERED BY THE PRESIDENT ON FEBRUARY 1ST IS PROVIDED FOR YOUR INFORMATION.  
**TAGS:** MASS, PGOV, SOPN, US, XX, PCAT, SOPN, (CARTER, JIMMY)  
**To:** ALL POSTS  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
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